

INTRODUCED: October 9, 2017

A RESOLUTION No. 2017-R078

To create a new reservation of fund balance called the Road and Sidewalk Improvements Reserve intended to be categorized as an assigned fund balance and used for improvements to roads and sidewalks in the city.

\_\_\_\_\_  
Patron – Ms. Larson  
\_\_\_\_\_

Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: NOV 6 2017 AT 5 P.M.

WHEREAS, it is the desire of the Council of the City of Richmond that a reservation of fund balance be created with the intent that up to \$1,250,000 be used for road paving and up to \$750,000 be used for sidewalk paving;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That, effective upon the adoption of this resolution:

(a) A new reservation of fund balance called the Road and Sidewalk Improvements Reserve (the “Reserve”) is hereby created.

AYES: 8 NOES: 0 ABSTAIN: \_\_\_\_\_

ADOPTED: NOV 6 2017 REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

(b) It is the intent of this resolution that (i) all amounts assigned to the Reserve be appropriated for improvements to roads and sidewalks in the city and (ii) the Reserve be categorized as an assigned fund balance for purposes of generally accepted accounting principles.

(c) Up to \$2,000,000.00 from any year-end General Fund surplus remaining after the Unassigned General Fund Balance for the fiscal year commencing July 1, 2016, and ending June 30, 2017, reaches an amount equal to ten percent of Total Budget Expenditures as defined in the Unassigned Fund Balance Policy of the City of Richmond adopted by Resolution No. 2012-R42-72, adopted April 23, 2012, and after all other reserves adopted prior to this resolution for the fiscal year commencing July 1, 2016, and ending June 30, 2017, have been satisfied, shall be assigned to the Reserve.



# Richmond City Council

The Voice of the People


Richmond, Virginia

Office of the Council Chief of Staff

## Ordinance/Resolution Request

**TO** Allen Jackson, Richmond City Attorney  
Richmond Office of the City Attorney

**THROUGH** Lou Brown Ali *NKB on Behalf*  
Council Chief of Staff

**FROM** William E. Echelberger, Jr, Council Budget Analyst 

**COPY** Kristen N. Larsen, 4<sup>th</sup> District Representative  
Haskell Brown, Deputy City Attorney  
Meghan K. Brown, Deputy Council Chief of Staff *NKB*  
Bryce H. Lyle, 4<sup>th</sup> District Liaison

**DATE** October 4, 2017

**PAGE/s** 1 of 2

**TITLE** Assign Fund Balance for Sidewalk and Street Improvements

**RECEIVED**

OCT 04 2017

OFFICE OF CITY ATTORNEY

This is a request for the drafting of an  Ordinance  Resolution

**REQUESTING COUNCILMEMBER/PATRON**

Kristen N. Larsen, 4<sup>th</sup> District Representative

**SUGGESTED STANDING COMMITTEE**

Finance and Economic Development

**ORDINANCE/RESOLUTION SUMMARY**

The patron requests a resolution to request that:

1. Upon achieving an Unassigned General Fund Balance equal to ten percent (10.0%) of Total Budgeted Expenditures, as defined in Resolution No. 2012-R042; and
2. After all other reserves adopted for FY2017 prior to this resolution have been satisfied, including:
  - a. \$2,000,000 specified for reduction of the unfunded liability of the Richmond Retirement System in Ordinance No. 2017-095
  - b. The amount needed to pay a one-time bonus of 2.5% to each employee of the City, other than sworn police and fire employees, as specified in Resolution No. 2017-R070, if adopted,
3. Any remaining General Fund surplus for FY17, not to exceed \$2,000,000, shall be reserved as an assignment of fund balance for the purpose of providing:
  - a. No more than \$750,000 for sidewalk projects, and
  - b. No more than \$1,250,000 for street paving.
4. If the remaining General Fund surplus for FY17 after all other reserves adopted for FY2017 prior to this resolution have been satisfied is less than \$2,000,000, the amounts assigned

to sidewalk projects, and street paving are to be reduced in direct proportion to the percentage of the shortfall.

5. If more than one reservation of fund balance is approved on the same day, precedence is to be given to the Ordinance or Resolution with the lower number in the Clerk's system.

#### BACKGROUND

- In the Fiscal Year 2017 Third Quarter Revenue & Expenditure Projection Report the Administration indicated that the FY17 projected budgetary surplus was \$12,239. On August 15, 2017, the Administration provided the Fiscal Year 2017 Fourth Quarter Revenue & Expenditure Projection Report that projects the FY17 budgetary surplus to be \$7,430,834. With this significant change in the year-end projected surplus, the patron would like to reserve a portion of the remaining surplus funds as an assignment of fund balance in order to provide funding for critical infrastructure improvements to sidewalk, and road improvements.
- The patron believes that due to the factors listed above that the City should continue to reserve funding to address these issues.

#### FISCAL IMPACT STATEMENT

Fiscal Impact Yes  No   
Budget Amendment Required Yes  No   
Estimated Cost or Revenue Impact

There will be no revenue or expenditure impact in FY2018, however, the assignment of fund balance will be reflected in the City's financial statements. Subsequent action will be required to amend the budget to appropriate and expend funds for the designated purposes.

Attachment/s Yes  No